



STATE OF WEST VIRGINIA  
OFFICE OF THE ATTORNEY GENERAL  
DARRELL V. MCGRAW, JR.  
CONSUMER PROTECTION DIVISION  
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# Press Release

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**FOR IMMEDIATE RELEASE**

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**HAGUE QUALITY WATER AGREES TO INSTRUCT ITS DEALERS TO END CREDIT CARD FINANCING IN SALES OF WATER TREATMENT SYSTEMS TO WEST VIRGINIA CONSUMERS IN SETTLEMENT WITH ATTORNEY GENERAL DARRELL MCGRAW**

A year-long battle over enforcement of Attorney General McGraw's investigative subpoena ended in a settlement in which Hague Quality Water International ("Hague") of Groveport, Ohio, agreed to instruct its home sales dealers to end the practice of financing water treatment systems on private label revolving charge credit cards. Hague also agreed to take other steps to ensure that its dealers' sales practices comply with West Virginia law, and it paid the State \$10,000 to be used for consumer refunds and other consumer education purposes.

Hague is a manufacturer and distributor of water treatment systems and, as is common in this industry, its products are sold exclusively in door-to-door sales to consumers through a dealer network. In recent years, McGraw's office has been a leader in combating deceptive sales practices by this industry, as evidenced by previous settlement agreements with Aquion Partners (manufacturer of RainSoft brand systems), Culligan International, and Kineticco.

In addition to challenging scare tactics and false claims about the health benefits of water treatment systems used by fast-talking salespersons, McGraw has sought to eliminate the practice of financing the systems on private label credit cards. This financing practice, sometimes known as bogus open end credit, often leads consumers to believe that their purchases require affordable low monthly payments when, in fact, the payments only cover interest, leaving them with a high-interest debt that they can never repay.

In 2005 McGraw's office commenced an investigation of Hague Quality Water of Pittsburgh, a Hague dealer, after receiving complaints alleging deceptive sales practices by that company. After learning that the Pittsburgh dealer was defunct, McGraw asked Hague to take responsibility for the actions of its dealer. When Hague declined to do so, McGraw issued an investigative subpoena to learn more about Hague's relationships with its dealers.

Attorney General McGraw stated, "I am pleased that Hague has now taken the necessary steps to ensure that its dealers will end the objectionable practice of financing sales of expensive water treatment systems on private label credit cards. This action will prevent dealers from disguising the true cost of financing by placing expensive products on high-interest credit cards with deceptively low monthly payments."

Any persons wishing to file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive practices may do so by calling the Consumer Protection Hot Line, 1-800-368-8808, or by downloading a complaint form from this site.

To download and print a complaint form, please click on the **General Consumer Complaint Form** link at the top of this page.

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